

COMMERCIAL RELATIONS WITH MOROCCO, ALGERIA, AND TUNISIA

Aide memoire initialed at Paris December 12 and 27, 1944

Entered into force December 27, 1944

Obsolete

Department of State files

The American Embassy to the Ministry for Foreign Affairs

AIDE MÉMOIRE

The Embassy of the United States of America presents its compliments to the Ministry of Foreign Affairs and in compliance with instructions from its Government has the honor to convey the following:

1. During August and September of this year, a Special Economic Mission, under the chairmanship of Ambassador William S. Culbertson, visited Morocco, Algeria and Tunisia in order to study the desirability and feasibility of bringing about the resumption of more normal commercial relationships between the United States and those areas. The Secretary of State recently requested Ambassador Culbertson to proceed to Paris in order to assist the American Ambassador in presenting to the Provisional Government of the French Republic certain views of the American Government based upon the report of the Special Economic Mission.

2. Complete import supply programs for Morocco, Algeria, Tunisia and French West Africa during 1945 have been agreed upon and presented with the endorsement of the French authorities. Applications for allocations of supplies and shipping are now in process. In view of this progress and the present availability of dollar exchange to the French Provisional Government, the American Government feels that dollar exchange should be provided on a current basis by the French authorities. Accordingly, the American Government feels warranted in the decision that it has reached that no such civilian supply purchases for French North and West Africa will be made through the Lend-Lease facilities of the Foreign Economic Administration under the cash reimbursable procedure after January 1, 1945, without payment in dollars on delivery.

3. As the French authorities were informed in the Tri-Partite Committee meeting and through Mr. Monnet on February 7th last in Washington, the traditional policy of the Government of the United States is to foster the movement of trade through private commercial channels. Therefore, it is the American Government's intention to withdraw Lend-Lease procurement assistance for civilian supplies for the French African territories above mentioned not later than June 30, 1945. During the intervening period and thereafter, it is hoped that the French Provisional Government will wish to join the American Government in accomplishing the resumption of normal commercial trade in such civilian supplies and that bulk procurement through the French Supply Council for French North and West Africa will be limited to those few exceptional cases wherein it is mutually agreed that such bulk purchases are demonstrably more effective. It is the expectation of the American Government that private trade in a large majority of civilian supplies for North and West Africa may be restored through this cooperation with the French local and central authorities.

4. The Government of the United States understands that for the present emergency period a system of import licensing will be effected separately in French West Africa and in each North African territory and that issuance of import licenses within agreed programs under this system will automatically insure the availability of the required foreign exchange. Coincident with the issuance of licenses, French African importers can negotiate directly with traders in the United States or other areas for their purchases and arrange direct consignment and delivery. In establishing such import licensing procedures, the American Government respectfully draws attention to the importance that it places upon continued observation of its rights under existing agreements, including its special treaty rights in Morocco.

5. Representatives of the United States present in French African areas will be available to assist the French authorities upon request in expediting the flow of private trade. They will also undertake most willingly to supply trade information, to expedite shipments or delivery and to facilitate communications.

6. It is hoped that the French Provisional Government and local governments of French North Africa will, as has been the case in French West Africa, encourage private commercial representatives to come to the United States to assist in the resumption of private trade, and will promote direct contact between the American and French importers and exporters. Allied military restrictions on travel in North Africa have been lifted to permit commercial travel in both directions and the Government of the United States will continue its efforts to facilitate such travel. It is hoped that the French authorities will cooperate in the issuance of documents necessary for such travel.

7. The Government of the United States is particularly anxious to stimulate the flow of exports from North and West Africa to the United States

and will contribute all possible assistance to obtain this objective, as it realizes that both North and West Africa normally are not exporters to dollar destinations in sufficient volume to create a sufficient dollar exchange to cover the purchase of imports now included in existing programs and contemplated in the near future.

8. The Government of the United States will welcome any suggestions from the French authorities looking toward the accomplishment of the purposes stated above and, in general, the fostering of normal commercial relationships between residents of French North and West Africa and the United States.

December 12, 1944.

The Ministry for Foreign Affairs to the American Embassy

[TRANSLATION]

MINISTRY OF FOREIGN AFFAIRS
Direction of Economic Affairs

PARIS, *December 27, 1944*

On December 12th, the Embassy of the United States addressed an aide-memoire to the Foreign Office concerning the resumption of private trade between the African territories and the United States.

In reply to this communication, the Ministry of Foreign Affairs has the honor to set forth to the Embassy of the United States, as hereinafter appears, the position of the French Government on this question, which has been the subject of the conversations which His Excellency Mr. William Culbertson has recently had in Paris following the mission in North Africa which he had conducted for the Government of the United States during the summer of 1944.

The Provisional Government and the Government of the United States have already agreed that the reimbursable Lend-Lease arrangement should cease in 1945 for civilian purchases for the territories covered by the Franco-American modus vivendi of September 25, 1943.¹ The purchases made in the United States to supply the North African territories and French West Africa shall henceforth be settled for currently in cash and the system of payments which will thus be applied will no longer differ in principle from the system of payments in private trade.

The French Government is moreover entirely in agreement with the Government of the United States as to the appropriateness of resuming on the basis of private trade commercial intercourse between the United States on the one hand and on the other hand the French territories of North and

¹ EAS 483, *ante*, p. 1063.

West Africa, and in addition the other French colonies although the latter are not expressly included in the aide-memoire of December 12th.

The French Government notes with satisfaction the steps taken by the American administration tending to facilitate exports from French African territories to the United States. The French Government on its side is taking all steps to facilitate the issuance of export licenses for goods likely to interest the American market within the limit of goods available in French overseas territories after provision for local, Metropolitan and war needs. The French Government counts on the support of the American administration to give French overseas exporters the facilities to permit them to consummate sales in the United States, in particular shipping space and arrangements for remitting to the local Exchange Control Offices the dollars resulting from these sales, which will aid in increasing the ability of these territories to make purchases in the United States and in other countries using dollars for settlement of their international accounts. The Minister of Foreign Affairs takes this opportunity of drawing the attention of the Embassy of the United States to the difficulties raised by the American administration in granting licenses permitting this remittance to the Exchange Control Offices.

With respect to purchases in the United States of civilian goods for North Africa and for territories under the jurisdiction of the French Colonial Ministry, the French Government intends to give these operations a private character to the greatest extent possible.

It is of course understood that, as long as the world wide supply and shipping difficulties continue, these purchases can only be effected within the framework of the import programs agreed upon between the French Government, the United States Government and the appropriate interallied bodies. Licenses will be able to be granted to importers. When these licenses shall have been approved by the local Exchange Control Offices, they will include, in accordance with general exchange control regulations, authority for the holder of the license to procure, subject to the conditions specified in the license, the dollars necessary for the payment of imports mentioned therein.

The French Government, however, does not feel itself in a position immediately to extend this system of purchases to all cases for the following reasons:

(1) A large number of products are currently being imported on behalf of State organizations such as the Cereals Office, General Supply Services, etc., and orders for such organizations consequently can only be placed on the American market through government channels and by means of the French Purchasing Mission;

(2) With respect to the North African territories, the small volume of imports which will be possible within the import programs in comparison

with normal imports would not permit in the case of many products an equitable division between the different importers without parcelling out the purchases in such a proportion as would render the operations impractical from a commercial point of view. The desire not to purchase such goods through government channels would thus lead to entrusting purchases to the groupements. In such case the direct contact which it is desired be established between buyers and sellers would not be realized and there would be the risk of consolidating the activity of the importers' groupements which the French Government considers temporary and belonging only to a wartime economy. Therefore it would seem inevitable that for all products which cannot be imported in quantities sufficient to satisfy the orders of an excessive number of importers, the French Purchasing Mission should for the time being continue to make purchases for the account of the Office of Foreign Commerce or for the local supply services.

Consequently, in spite of the positive desire of the French Government, the purchases in the United States of supplies for the North African territories can only progressively become private purchases. The French Mission will be obliged to continue its activities, it will maintain its necessary contacts for this purpose with the competent American Government Agencies and in particular will continue its efforts to obtain the necessary transport both for the purchases which it will effect and for private purchases as well. In this connection, the French Government counts on the continuing support of the Foreign Economic Administration for the French Mission. It seems desirable to the French Government that an exact procedure be agreed upon between the American Government and the French Purchasing Mission, which procedure should be the subject of discussions in Washington.

With respect to other overseas French territories the French Government agrees that direct contacts should forthwith be established between the American firms and the Colonial firms. The French Ministry of Colonies will make every effort on its part to facilitate these contacts which more profitably can be had in Paris where the principal colonial firms have permanent commercial representatives.

H. A.